

FOR WIRE TRANSMISSION: 8:30 A.M. EST, THURSDAY, NOVEMBER 30, 2000

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PERSONAL INCOME AND OUTLAYS: OCTOBER 2000

Personal income decreased \$16.5 billion, or 0.2 percent, and disposable personal income (DPI) decreased \$29.4 billion, or 0.4 percent, in October, according to the Commerce Department's Bureau of Economic Analysis. Personal consumption expenditures (PCE) increased \$12.1 billion, or 0.2 percent. In September, personal income increased \$91.2 billion, or 1.1 percent, DPI increased \$78.5 billion, or 1.1 percent, and PCE increased \$61.2 billion, or 0.9 percent, based on revised estimates.

	2000				
	June	July (Percent change from preceding month)	Aug.	Sept.	Oct.
Personal income, current dollars	0.5	0.3	0.3	1.1	-0.2
Disposable personal income:					
Current dollars	.4	.2	.2	1.1	-.4
Chained (1996) dollars	.1	.0	.2	.7	-.6
Personal consumption expenditures:					
Current dollars	.5	.6	.5	.9	.2
Chained (1996) dollars	.2	.4	.5	.5	.0

The changes in personal income for September and October were affected by federal agricultural subsidy payments to farm proprietors and to owners of leased farm land (nonoperator landlords). These payments, which affect farm proprietors' income and rental income of persons, had boosted personal income \$61.0 billion (at an annual rate) in September. Excluding these payments, personal income increased \$40.7 billion, or 0.5 percent, in October, compared with \$30.6 billion, or 0.4 percent, in September.

Wages and salaries

Private wage and salary disbursements increased \$30.6 billion in October, compared with an increase of \$26.1 billion in September. Goods-producing industries' payrolls increased \$11.2 billion, compared with an increase of \$0.3 billion; manufacturing payrolls increased \$8.0 billion, in contrast to a decrease of \$2.7 billion. Distributive industries' payrolls increased \$10.6 billion, compared with an increase of \$16.1 billion. Service industries' payrolls increased \$8.8 billion, compared with an increase of \$9.6 billion. Government wage and salary disbursements increased \$2.3 billion, compared with an increase of \$1.2 billion.

Other personal income

Proprietors' income decreased \$46.4 billion in October, in contrast to an increase of \$43.3 billion in September. Farm proprietors' income decreased \$46.9 billion, in contrast to an increase of \$48.2 billion. The changes in farm proprietors' income reflected the pattern of specially authorized federal farm subsidy payments, which boosted income \$3.1 billion (at an annual rate) in October, \$50.1 billion in September, and \$0.3 billion in August. Nonfarm proprietors' income increased \$0.5 billion in October, in contrast to a decrease of \$4.9 billion in September.

Transfer payments increased \$1.1 billion in October, compared with an increase of \$4.2 billion in September. Personal interest income increased \$3.3 billion, compared with an increase of \$3.4 billion. Personal dividend income increased \$2.5 billion, compared with an increase of \$2.6 billion.

Rental income of persons decreased \$9.8 billion in October, in contrast to an increase of \$9.7 billion in September. The changes in rental income of persons also reflected the pattern of federal farm subsidy payments to owners of leased farm land (nonoperator landlords), which boosted income \$0.7 billion (at an annual rate) in October, \$10.9 billion in September, and \$0.1 billion in August.

Personal contributions for social insurance -- a subtraction in calculating personal income -- increased \$2.1 billion in October, compared with an increase of \$1.9 billion in September.

Personal taxes and disposable personal income

Personal tax and nontax payments increased \$13.0 billion in October, compared with an increase of \$12.6 billion in September. Disposable personal income (DPI) -- personal income less personal tax and nontax payments -- decreased \$29.4 billion, or 0.4 percent, in October, in contrast to an increase of \$78.5 billion, or 1.1 percent, in September.

Personal outlays and personal saving

Personal outlays -- PCE, interest paid by persons, and personal transfer payments to the rest of the world (net) -- increased \$13.1 billion in October, compared with an increase of \$61.7 billion in September. PCE increased \$12.1 billion, compared with an increase of \$61.2 billion.

Personal saving -- DPI less personal outlays -- was a negative \$55.9 billion in October, compared with a negative \$13.3 billion in September. Saving from current income may be near zero or negative when outlays are financed by borrowing (including through credit cards or home equity loans), by selling investments or other assets, or by using savings from previous periods. Personal saving as a percentage of disposable personal income was a negative 0.8 percent in October, compared with a negative 0.2 percent in September.

Real DPI and real PCE

Real DPI -- DPI adjusted to remove price changes -- decreased 0.6 percent in October, in contrast to an increase of 0.7 percent in September.

Real PCE -- PCE adjusted to remove price changes -- increased less than 0.1 percent in October; compared with an increase of 0.5 percent in September. Purchases of durable goods decreased 2.2 percent, in contrast to an increase of 2.1 percent. Purchases of motor vehicles and parts accounted for most of the October decrease. Purchases of nondurable goods increased 0.4 percent in October, compared with an increase of less than 0.1 percent in September. Purchases of services increased 0.3 percent, compared with an increase of 0.5 percent.

Revisions

Estimates have been revised for July through September. Changes in personal income, current-dollar and chained (1996) dollar DPI, and current-dollar and chained (1996) dollar PCE for August and September -- revised and as published in last month's release -- are shown below. Revisions for July were small.

	Change from preceding month							
	August				September			
	Previous	Revised	Previous	Revised	Previous	Revised	Previous	Revised
	(Dollars)		(Percent)		(Dollars)		(Percent)	
Personal Income:								
Current dollars.....	32.4	28.6	0.4	0.3	90.3	91.2	1.1	1.1
Disposable personal income:								
Current dollars.....	16.7	13.4	.2	.2	77.7	78.5	1.1	1.1
Chained (1996) dollars.....	14.8	12.5	.2	.2	46.8	48.6	.7	.7
Personal consumption expenditures:								
Current dollars....	33.6	33.3	.5	.5	55.4	61.2	.8	.9
Chained (1996) dollars....	30.4	31.0	.5	.5	27.0	33.3	.4	.5

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Next release -- Personal Income and Outlays for November will be released on December 22, 2000, at 8:30 A.M. EST.

Release dates in 2001

December 2000..	February 1	April 2001...	May 29	August 2001.....	October 1
January 2001.....	March 1	May 2001....	July 2	September 2001.	November 1
February 2001....	March 30	June 2001....	July 31	October 2001.....	December 3
March 2001.....	April 30	July 2001.....	August 30	November 2001.	December 21

Table 1.-Personal Income
[Billions of dollars]

	1998	1999	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/r/	Oct 00/p/
Personal income.....	7,391.0	7,789.6	8,237.6	8,279.5	8,301.6	8,330.2	8,421.4	8,404.9
Wage and salary disbursements....	4,190.7	4,470.0	4,730.0	4,763.5	4,788.8	4,797.6	4,824.9	4,857.8
Private industries.....	3,498.0	3,745.6	3,966.6	4,003.4	4,025.0	4,032.2	4,058.3	4,088.9
Goods-producing industries....	1,038.6	1,089.2	1,142.2	1,150.8	1,162.2	1,158.8	1,159.1	1,170.3
Manufacturing.....	756.6	782.4	809.4	816.7	824.0	819.7	817.0	825.0

Distributive industries.....	949.1	1,020.3	1,090.2	1,105.5	1,112.1	1,113.2	1,129.3	1,139.9
Service industries.....	1,510.3	1,636.0	1,734.2	1,747.2	1,750.8	1,760.3	1,769.9	1,778.7
Government.....	692.7	724.4	763.4	760.1	763.8	765.4	766.6	768.9
Other labor income.....	485.5	501.0	520.5	522.5	525.1	527.6	530.0	532.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	620.7	663.5	704.7	716.9	706.1	712.8	756.1	709.7
Farm.....	25.4	25.3	17.5	23.7	17.5	14.7	62.9	16.0
Nonfarm.....	595.2	638.2	687.1	693.2	688.6	698.1	693.2	693.7
Rental income of persons with capital consumption adjustment...	135.4	143.4	140.0	138.1	136.2	134.9	144.6	134.8
Personal dividend income.....	351.1	370.3	392.4	394.8	397.2	399.6	402.2	404.7
Personal interest income.....	940.8	963.7	1,030.9	1,036.8	1,041.5	1,045.6	1,049.0	1,052.3
Transfer payments to persons.....	983.0	1,016.2	1,077.3	1,067.3	1,068.7	1,074.8	1,079.0	1,080.1
Old-age, survivors, disability, and health insurance benefits..	578.0	588.0	634.4	625.0	623.5	627.2	630.9	629.0
Government unemployment insurance benefits.....	19.5	20.3	19.3	19.4	19.8	19.9	20.1	20.1
Other.....	385.4	407.9	423.5	422.9	425.4	427.7	428.0	430.9
Less: Personal contributions for social insurance.....	316.2	338.5	358.2	360.4	362.1	362.6	364.5	366.6

p Preliminary.

r Revised.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 2.-The Disposition of Personal Income
[Billions of dollars]

	1998	1999	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/r/	Oct 00/p/
Personal income.....	7,391.0	7,789.6	8,237.6	8,279.5	8,301.6	8,330.2	8,421.4	8,404.9
Less: Personal tax and nontax payments.....	1,070.9	1,152.0	1,274.1	1,287.9	1,293.7	1,309.0	1,321.6	1,334.6
Equals: Disposable personal income..	6,320.0	6,637.7	6,963.5	6,991.5	7,007.8	7,021.2	7,099.7	7,070.3
Less: Personal outlays.....	6,054.7	6,490.1	6,939.9	6,972.9	7,016.1	7,051.4	7,113.1	7,126.2
Personal consumption expenditures.	5,850.9	6,268.7	6,702.1	6,733.1	6,774.1	6,807.4	6,868.6	6,880.7
Interest paid by persons.....	179.8	194.8	209.5	211.4	212.7	214.6	215.1	216.1
Personal transfer payments to the rest of the world (net).....	24.0	26.6	28.3	28.3	29.4	29.4	29.4	29.4
Equals: Personal saving.....	265.4	147.6	23.6	18.7	-8.3	-30.1	-13.3	-55.9
Addenda:								
Disposable personal income:								
Chained (1996) dollars/l/.....	6,134.1	6,331.0	6,507.4	6,515.6	6,516.0	6,528.5	6,577.1	6,538.8
Per capita:								
Current dollars.....	23,359	24,314	25,317	25,399	25,437	25,463	25,726	25,599
Chained (1996) dollars.....	22,672	23,191	23,658	23,670	23,652	23,677	23,833	23,675
Population (thousands).....	270,560	272,996	275,054	275,264	275,496	275,738	275,970	276,191
Personal saving as a percentage of disposable personal income...	4.2	2.2	.3	.3	-.1	-.4	-.2	-.8

p Preliminary.

r Revised.

1. Disposable personal income in chained (1996) dollars equals the current-dollar figure divided by the implicit price deflator for personal consumption expenditures.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 3.-Personal Income and Its Disposition, Change from Preceding Period
[Billions of dollars]

	1998	1999	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/r/	Oct 00/p/
Personal income.....	454.0	398.6	28.3	41.9	22.1	28.6	91.2	-16.5
Wage and salary disbursements....	301.8	279.3	3.1	33.5	25.3	8.8	27.3	32.9
Private industries.....	273.3	247.6	-3.3	36.8	21.6	7.2	26.1	30.6
Goods-producing industries....	63.5	50.6	-6.1	8.6	11.4	-3.4	.3	11.2
Manufacturing.....	38.2	25.8	-3.8	7.3	7.3	-4.3	-2.7	8.0
Distributive industries.....	69.5	71.2	-1.3	15.3	6.6	1.1	16.1	10.6
Service industries.....	140.4	125.7	4.0	13.0	3.6	9.5	9.6	8.8
Government.....	28.4	31.7	6.4	-3.3	3.7	1.6	1.2	2.3
Other labor income.....	10.1	15.5	2.1	2.0	2.6	2.5	2.4	2.1

Proprietors' income with inventory valuation and capital consumption adjustments.....	39.5	42.8	-2.3	12.2	-10.8	6.7	43.3	-46.4
Farm.....	-4.3	-1.1	-5.6	6.2	-6.2	-2.8	48.2	-46.9
Nonfarm.....	43.7	43.0	3.2	6.1	-4.6	9.5	-4.9	.5
Rental income of persons with capital consumption adjustment...	7.1	8.0	-4.3	-1.9	-1.9	-1.3	9.7	-9.8
Personal dividend income.....	16.2	19.2	1.8	2.4	2.4	2.4	2.6	2.5
Personal interest income.....	76.8	22.9	4.8	5.9	4.7	4.1	3.4	3.3
Transfer payments to persons.....	20.8	33.2	23.5	-10.0	1.4	6.1	4.2	1.1
Old-age, survivors, disability, and health insurance benefits..	12.2	10.0	21.0	-9.4	-1.5	3.7	3.7	-1.9
Government unemployment insurance benefits.....	-.4	.8	-.1	.1	.4	.1	.2	.0
Other.....	8.9	22.5	2.6	-.6	2.5	2.3	.3	2.9
Less: Personal contributions for social insurance.....	18.3	22.3	.3	2.2	1.7	.5	1.9	2.1
Less: Personal tax and nontax payments.....	102.1	81.1	4.5	13.8	5.8	15.3	12.6	13.0
Equals: Disposable personal income..	351.8	317.7	23.8	28.0	16.3	13.4	78.5	-29.4
Less: Personal outlays.....	339.4	435.4	19.7	33.0	43.2	35.3	61.7	13.1
Personal consumption expenditures.	321.6	417.8	18.4	31.0	41.0	33.3	61.2	12.1
Interest paid by persons.....	15.0	15.0	1.4	1.9	1.3	1.9	.5	1.0
Personal transfer payments to the rest of the world (net).....	2.8	2.6	.0	.0	1.1	.0	.0	.0
Equals: Personal saving.....	12.5	-117.8	4.1	-4.9	-27.0	-21.8	16.8	-42.6
Addendum:								
Disposable personal income: chained (1996) dollars/1/.....	279.6	196.9	24.2	8.2	.4	12.5	48.6	-38.3

p Preliminary.

r Revised.

1. Disposable personal income in chained (1996) dollars equals the current-dollar figure divided by the implicit price deflator for personal consumption expenditures.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 4-Personal Consumption Expenditures by Major Type of Product
[Billions of dollars]

	1998	1999	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/r/	Oct 00/p/
Billions of current dollars								
Personal consumption expenditures...	5,850.9	6,268.7	6,702.1	6,733.1	6,774.1	6,807.4	6,868.6	6,880.7
Durable goods.....	693.9	761.3	812.2	811.5	817.3	821.1	838.2	819.1
Nondurable goods.....	1,707.6	1,845.5	1,994.6	2,009.1	2,024.3	2,026.2	2,045.5	2,051.2
Services.....	3,449.3	3,661.9	3,895.3	3,912.5	3,932.5	3,960.1	3,984.9	4,010.4
Billions of chained (1996) dollars								
Personal consumption expenditures...	5,678.7	5,978.8	6,263.1	6,274.8	6,298.7	6,329.7	6,363.0	6,363.5
Durable goods.....	727.3	817.8	883.0	885.5	892.8	900.2	919.2	899.2
Nondurable goods.....	1,684.8	1,779.4	1,863.8	1,866.0	1,877.3	1,885.9	1,886.1	1,892.7
Services.....	3,269.4	3,390.8	3,529.6	3,536.7	3,542.7	3,558.4	3,575.0	3,585.2
Chain-type price indexes (1996=100)								
Personal consumption expenditures...	103.03	104.85	107.02	107.31	107.56	107.56	107.96	108.14
Durable goods.....	95.42	93.09	91.97	91.63	91.53	91.20	91.18	91.08
Nondurable goods.....	101.35	103.71	107.04	107.69	107.84	107.46	108.47	108.39
Services.....	105.50	107.99	110.37	110.64	111.01	111.30	111.48	111.87
Addendum:								
Personal consumption expenditures less food and energy.....	103.45	105.11	106.64	106.64	106.85	107.00	107.23	107.43
Change from preceding period								
Billions of current dollars								
Personal consumption expenditures...	321.6	417.8	18.4	31.0	41.0	33.3	61.2	12.1
Durable goods.....	51.4	67.4	-7.0	-.7	5.8	3.8	17.1	-19.1
Nondurable goods.....	66.0	137.9	5.4	14.5	15.2	1.9	19.3	5.7

Services.....	204.1	212.6	20.0	17.2	20.0	27.6	24.8	25.5

Billions of chained (1996) dollars								

Personal consumption expenditures...	254.8	300.1	19.1	11.7	23.9	31.0	33.3	.5
Durable goods.....	70.0	90.5	-8.5	2.5	7.3	7.4	19.0	-20.0
Nondurable goods.....	64.9	94.6	10.2	2.2	11.3	8.6	.2	6.6
Services.....	122.4	121.4	15.7	7.1	6.0	15.7	16.6	10.2

p Preliminary.

r Revised.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table 5.-Percent Change From Preceding Period in Selected Series

	1998	1999	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/r/	Oct 00/p/

Based on current dollars								

Personal income.....	6.5	5.4	.3	.5	.3	.3	1.1	-.2
Disposable personal income.....	5.9	5.0	.3	.4	.2	.2	1.1	-.4

Personal consumption expenditures...	5.8	7.1	.3	.5	.6	.5	.9	.2
Durable goods.....	8.0	9.7	-.9	-.1	.7	.5	2.1	-2.3
Nondurable goods.....	4.0	8.1	.3	.7	.8	.1	1.0	.3
Services.....	6.3	6.2	.5	.4	.5	.7	.6	.6

Based on chained (1996) dollars								

Disposable personal income.....	4.8	3.2	.4	.1	.0	.2	.7	-.6

Personal consumption expenditures...	4.7	5.3	.3	.2	.4	.5	.5	.0
Durable goods.....	10.6	12.4	-1.0	.3	.8	.8	2.1	-2.2
Nondurable goods.....	4.0	5.6	.5	.1	.6	.5	.0	.4
Services.....	3.9	3.7	.4	.2	.2	.4	.5	.3

p Preliminary.

r Revised.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.